

AMENDMENT # 1

REP. Lucas SUBMITS THE FOLLOWING:

AGENCY NAME: SC Housing Finance and Development Authority

PROVISO: New

(HFDA: Allocation of Indirect Cost Recoveries) The Authority shall deposit in the state general fund indirect cost recoveries for the Authority's portion of the fiscal year 2010-2011 Statewide Central Services Cost Allocation Plan (SWCAP). The Authority shall retain recoveries in excess of the SWCAP amount to be deposited in the state general fund.

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REP. WHITE SUBMITS THE FOLLOWING FISCAL YEAR UPDATES AND TECHNICAL DELETIONS:

DEPARTMENT OF EDUCATION-EIA

AMEND proviso to update “2009-10 school year” to “current school year”

1A.37. (SDE-EIA: Artistically and Academically High-Achieving Students) EIA funds appropriated for high achieving students must be allocated to districts based on two factors: (1) the number of students served in academic gifted and talented programs based on the prior year’s 135-day count of average daily membership adjusted for the current year’s 45-day count and the number of students identified as artistically gifted and talented; and (2) the number of students taking Advanced Placement or International Baccalaureate (IB) exams in the prior year. At least eighty-five percent of the funds appropriated for each student classified herein must be spent for instruction and instructional support for students who generated the funds. Up to \$500,000 of the funds may be retained by the Department of Education for teacher endorsement activities. Twelve percent of the funds shall be set-aside for serving artistically gifted and talented students in grades 3-12.

Endorsement criteria established by the State Board of Education for teachers assigned to teach gifted and talented and advanced placement classes shall be suspended for the ~~2009-10~~ current school year.

AMEND proviso to update fiscal year from “2009-10” to “2010-11”

1A.38. (SDE-EIA: Students at Risk of School Failure) For Fiscal Year ~~2009-10~~ 2010-11, EIA funds appropriated for students at academic risk of school failure, which include funds for Act 135 Academic Assistance, summer school, reduce class size, alternative schools, parent support and family literacy, must be allocated to school districts based two factors: (1) the poverty index of the district as documented on the most recent district report card, which measures student eligibility for the free or reduced price lunch program and Medicaid; and (2) the number of students not in poverty or eligible for Medicaid but who fail to meet state standards on state standards-based assessments in either reading or mathematics. At least eighty-five percent of the funds allocated for students classified as at academic risk must be spent on instruction and instructional support for these students who generated the funds. Instructional support may include family literacy and parenting programs to students at-risk for school failure and their families. Students at academic risk are defined as students who are at risk of not graduating from high school because they failed either the English language arts or mathematics portion of the High School Assessment Program on first attempt and who score not met on grades 3 through 8 in reading and mathematics state assessments. Public charter schools, the Palmetto Unified School District, and the Department of Juvenile Justice must also receive a proportionate per pupil allocation based on the number of students at academic risk of school failure served.

AMEND proviso to update fiscal year from “2008-09” to “2009-10” and “2009-10” to “2010-11”

1A.41. (SDE-EIA: Statewide Student Information System) Contingent on the availability of a Fiscal Year ~~2008-09~~ 2009-10 end of year EIA cash balance the department is authorized in Fiscal Year ~~2009-10~~ 2010-11 to utilize up to \$5,000,000 for the costs related to the conversion, implementation, support, maintenance, and training activities for state, school district, and school users for the statewide student information system essential for sustaining accountability and transparency.

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CAPITOL POLICE FORCE

DELETE proviso

~~49A.1. (CPF: Dispositions if agency not established) (A) The provisions of this paragraph apply if legislation is not enacted and in effect as of July 1, 2009, establishing in permanent law the Capitol Police Force. In that eventuality, the provisions of this paragraph and paragraph 44.17 of this Part apply and are deemed the intention of and the last expression of the General Assembly with respect to all matters addressed by this paragraph and paragraph 44.17.~~

~~(B) The provisions of paragraphs 49A.1 through 49A.4 of this section are suspended and the following numbered paragraphs contained in this Part IB are amended, effective July 1, 2009, to read:~~

~~Section 48—D10—State Law Enforcement Division~~

~~“48.8. (SLED: Detective/Security Fee) The State Law Enforcement Division is hereby authorized to charge and collect additional license and registration fees for private detective businesses, private security businesses, including employees of these businesses, and companies which provide private security on their own premises. The funds generated will be transmitted to the Department of Public Safety and used for the purpose of providing additional security in the Capitol Complex area.”~~

~~Section 49—K05—Department of Public Safety~~

~~“49.2. (DPS: Retention of Private Detective Fees) The Department of Public Safety is hereby authorized to receive, expend, retain, and carry forward all funds transmitted from SLED related to fees charged and collected by SLED from license and registration fees for private detective businesses, private security businesses, including employees of these businesses, and companies which provide private security on their own premises. The funds transferred are to be used in the Bureau of Protective Services Program to provide security for state agencies and the Capitol Complex.”~~

~~Section 68A—U12—Department of Transportation~~

~~“68A.13. (DOT: Shop Road Farmers Market Bypass Carry Forward) Unexpended funds appropriated for the Shop Road Farmers Market Bypass may be carried forward into the current fiscal year and expended for the matching requirement for the widening and expansion of Leesburg Road from Fairmont to Wildeat Road (Lower Richland roads Phase I).”~~

~~Section 89—X90—General Provisions~~

~~“89.80. (GP: Lt. Governor Security Detail) The State Law Enforcement Division (SLED) shall provide a security detail to the Lieutenant Governor in a manner agreed to by SLED and the Lieutenant Governor’s Office. Reimbursement to SLED to offset the cost of the security detail for the Lieutenant Governor’s Office shall be made in an amount agreed to by SLED and the Lieutenant Governor’s Office from funds appropriated to the Lieutenant Governor’s Office for this purpose.”~~

~~(C) The Office of State Budget shall transfer all amounts otherwise appropriated and FTE’s authorized in Part IA, Section 49A of this act for the operations of the Capitol Police Force to the appropriations categories of those agencies from whence those funds and FTE’s were drawn to establish the Capitol Police Force.~~

COMMISSION FOR MINORITY AFFAIRS

AMEND proviso to change February “2010” to “2011”

~~55.5. (CMA: Student Achievement and Vision Education) The Commission for Minority Affairs is directed to study the economic and social impact of state funded programs that serve counties experiencing demographic shifts in the minority populations. The commission shall also study the programs and structures that contribute to or by their absence, exacerbate the problem of poor student~~

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achievement and socioeconomic deprivation. The commission is directed to identify all funding to programs and services that support family well-being in South Carolina. To identify and document gaps and duplication of services, the commission is directed to collect information regarding spending and programming from the following state agencies that will by virtue of this proviso be required to comply. The following state agencies are required to provide information to the Commission for Minority Affairs: Adjutant General's Office (Emergency Management Division), Department of Agriculture, Department of Alcohol and Other Drug Abuse Services, Commission for the Blind, Budget and Control Board, Department of Commerce, Department of Consumer Affairs, Department of Corrections, School for the Deaf and the Blind, Department of Disabilities and Special Needs, Education Oversight Committee, Department of Education, Educational Television Commission, Employment Security Commission, Governor's Office, Department of Health and Environmental Control, Department of Health and Human Services, State Housing, Finance and Development Authority, Department of Juvenile Justice, Department of Mental Health, Department of Probation, Parole and Pardon Services, Department of Social Services, state colleges and universities, and other agencies as the commission deems appropriate. The commission shall compile reports that identifies strengths, weaknesses, and gaps in program support activities that should be addressed to increase positive outcomes to help close the achievement gap, provide community supports that strengthen families, and address inequities confronting minorities in the State. The report shall make recommendations regarding the reallocation of funding, restructuring of agencies and services, and the need for new programs or incentives for public-private partnerships. The report(s) shall be issued to the Governor, the President Pro Tempore of the Senate, the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Speaker of the House of Representatives, the Chairman of the House Ways and Means Committee, the Chairman of the House Education and Public Works Committee, the Chairman of the Legislative Black Caucus and the State Superintendent of Education and State Agency Heads on or before the first Tuesday of February 2010 2011 for consideration and further legislative action.

GOVERNOR'S OFFICE

DELETE proviso

~~72.23. (GOV: OEPP - Victim and Witness Assessment/Surcharge Study) The State Office of Victim Assistance (SOVA) shall conduct a study of the collection, distribution, and percentage allocation of the assessments and surcharges for victim and witness services pursuant to the Victim and Witness Service Act. SOVA shall impanel a committee of service requirement providers including, but not limited to, local law enforcement, local detention facilities, prosecutors, and the summary courts to provide a review of the five prior years of collections, distributions, and percentage allocations of assessments and surcharges for local funding of victim and witness services as provided in Sections 14-1-206(D), 14-1-207(D), 14-1-208(D), and 14-1-211(B) of the 1976 Code. A report on the findings of the review must be submitted to the Senate Finance Committee and the House Ways and Means Committee by December 31, 2009.~~

ADJUTANT GENERAL'S OFFICE

AMEND proviso to update fiscal year reference from "2009-10" to "2010-11" and direct that the payment is to be made unless the entire \$2.5m has been repaid

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78.12. (ADJ: Citadel-S.C. National Guard Readiness Center) The Adjutant General's Office, during Fiscal Year ~~2009-10~~ 2010-11, shall repay to the General Fund of the State \$1,250,000 of the \$2,500,000 appropriated by proviso 73.12 of the Fiscal Year 2007-08 Appropriation Act to the Adjutant General's Office for the Citadel-South Carolina National Guard Readiness Center unless the entire \$2,500,000 loan has been repaid, in which case no further payment shall be required.

BUDGET AND CONTROL BOARD

AMEND proviso to update fiscal year reference from "2009-10" to "2010-11"

80A.7. (BCB: Vacant Positions) In the event that any permanent position in an agency remains vacant for more than twelve months the position may be deleted by the Budget and Control Board. For Fiscal Year ~~2009-10~~ 2010-11, the Budget and Control Board is authorized to suspend the requirement of this provision.

DELETE proviso

80A.41. (BCB: Health Plan Tobacco User Differential) ~~For health plans adopted under the authority of Section 1-11-710 of the 1976 Code by the Budget and Control Board during the fiscal year beginning July 1, 2009, the board is authorized to differentiate between tobacco users and nonusers regarding rates charged to enrollees in its health plans by imposing a surcharge on enrollee rates based upon tobacco use.~~

DEBT SERVICE

AMEND proviso to update fiscal year reference from "2008-09" to "2009-10" and "2009-10" to "2010-11"

84.1. (DS: Excess Debt Service Funds Carry Forward) Excess Debt Service funds from Fiscal Year ~~2008-09~~ 2009-10 may be carried forward and expended for debt service purposes in Fiscal Year ~~2009-10~~ 2010-11.

AID TO SUBDIVISIONS, STATE TREASURER

AMEND proviso to update fiscal year reference from "2009-10" to "2010-11"

86.2. (AS-TREAS: Local Government Flexibility) Fiscal Year ~~2009-10~~ 2010-11, counties of this State may transfer funds among appropriated state revenues as needed to ensure the delivery of services.

AMEND proviso to update fiscal year reference from "2009-2010" to "2010-11" and "2008-2009" to "2009-10"

86.3. (AS-TREAS: Quarterly Distributions) For Fiscal Year ~~2009-2010~~ 2010-11, the amount of the four quarterly distributions from the Aid to Subdivisions-Local Government Fund shall be as follows:

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The amount of the first quarterly distribution for each entity shall equal the amount of the last quarterly distribution for Fiscal Year ~~2008-2009~~ 2009-10 and thereafter the next three quarterly distributions shall be in reduced equal amounts, the four distributions together totaling the ~~2009-2010~~ 2010-11 appropriation from the Local Government Fund.

AMEND proviso to update fiscal year reference from “2009-10” to “2010-11”

86.7. (AS-TREAS: LGF) For Fiscal Year ~~2009-10~~ 2010-11, the provisions of Section 6-27-30 and Section 6-27-50 of the 1976 Code are suspended.

GENERAL PROVISIONS

AMEND proviso to update fiscal year reference from “2009-10” to “2010-11”

89.2. (GP: Appropriations From Funds) Subject to the terms and conditions of this act, the sums of money set forth in this part, if so much is necessary, are appropriated from the General Fund of the State, the Education Improvement Act Fund, the Highways and Public Transportation Fund, and other applicable funds, to meet the ordinary expenses of the state government for Fiscal Year ~~2009-10~~ 2010-11, and for other purposes specifically designated.

AMEND proviso to update fiscal year references from “2009” to “2010;” “2010” to “2011;” and “2008” to “2009”

89.3. (GP: Fiscal Year Definitions) For purposes of the appropriations made by this part, “current fiscal year” means the fiscal year beginning July 1, ~~2009~~ 2010, and ending June 30, ~~2010~~ 2011, and “prior fiscal year” means the fiscal year beginning July 1, ~~2008~~ 2009, and ending June 30, ~~2009~~ 2010.

AMEND proviso to update fiscal year reference from “2009-10” to “2010-11”

89.16. (GP: Personal Service Reconciliation, FTEs) In order to provide the necessary control over the number of employees, the Budget and Control Board is hereby directed to maintain close supervision over the number of state employees, and to require specifically the following:

1. That no state agency exceed the total authorized number of full-time equivalent positions and those funded from state sources as provided in each section of this act except by majority vote of the Budget and Control Board.

2. That the Budget and Control Board shall maintain and make, as necessary, periodic adjustments thereto, an official record of the total number of authorized full-time equivalent positions by agency for state and total funding sources.

- (a) That within thirty (30) days of the passage of the Appropriation Act or by August 1, whichever comes later, each agency of the State must have established on the Budget and Control Board records all positions authorized in the Act. After that date, the Board shall delete any nonestablished positions immediately from the official record of authorized full-time equivalent positions. No positions shall be established by the board in excess of the total number of authorized full-time equivalent positions. Each agency may, upon notification to the Budget and Control Board, change the funding source of state FTE positions established on the Budget and Control Board records as necessary to expend federal and other sources of personal service funds to conserve or stay within

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the state appropriated personal service funds. No agency shall change funding sources that will cause the agency to exceed the authorized number of state or total full-time equivalent positions. Each agency may transfer FTEs between programs as needed to accomplish the agency mission.

(b) That by September 30, the board shall prepare a personal service analysis, by agency, which shows the number of established positions for the fiscal year and the amount of funds required, by source of funds, to support the FTE's for the fiscal year at a funding level of 100%. The board shall then reconcile each agency's personal service detail with the agency's personal service appropriation as contained in the Act adjusted for any pay increases and any other factors necessary to reflect the agency's personal service funding level. The board shall provide a copy of each agency's personal service reconciliation to the Senate Finance and House Ways and Means Committees.

(c) That any position which is shown by the reconciliation to be unfunded or significantly underfunded may be deleted at the direction of the Budget and Control Board.

3. That full-time equivalent (FTE) positions shall be determined under the following guidelines:

(a) The annual work hours for each FTE shall be the agency's full-time standard annual work hours.

(b) The state FTE shall be derived by multiplying the state percentage of budgeted funds for each position by the FTE for that position.

(c) All institutions of higher education shall use a value of 0.75 FTE for each position determined to be full-time faculty with a duration of nine (9) months.

The FTE method of accounting shall be utilized for all authorized positions.

4. That the number of positions authorized in this act shall be reduced in the following circumstances:

(a) Upon request by an agency.

(b) When anticipated federal funds are not made available.

(c) When the Budget and Control Board, through study or analysis, becomes aware of any unjustifiable excess of positions in any state agency.

5. That the Budget and Control Board shall annually reconcile personal service funds with full-time employee count. Unfunded positions will be eliminated no later than January 15 of the current fiscal year unless specifically exempted elsewhere in this act or by the State Budget and Control Board. The State Budget and Control Board must report the full-time employee count and unfunded position status to the Senate Finance Committee and the Ways and Means Committee by February 1 of the current fiscal year.

6. That no new permanent positions in state government shall be funded by appropriations in acts supplemental to this act but temporary positions may be so funded.

7. That the provisions of this section shall not apply to personnel exempt from the State Classification and Compensation Plan under item I of Section 8-11-260 of the 1976 Code.

The Governor, in making his appropriation recommendations to the Ways and Means Committee, must provide that the level of personal service appropriation recommended for each agency is at least 97% of the funds required to meet 100% of the funds needed for the full-time equivalents positions recommended by the Governor (exclusive of new positions).

The requirements of subitem 2(c) and subitem 5 contained in this provision are suspended for Fiscal Year ~~2009-10~~ 2010-11.

AMEND proviso to update fiscal year reference from "2009-10" to "2010-11"

89.93. (GP: Offset Corrections Budget Reduction) The Governor shall be authorized to transfer agency earmarked and restricted accounts designated as "special revenue funds" as defined in the Comptroller General's records from the Department of Motor Vehicles to the Department of

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Corrections to offset any Fiscal Year ~~2009-10~~ 2010-11 budget deficit that has been officially recognized by the Budget and Control Board.

AMEND proviso to update fiscal year reference from “2009” to “2010”

89.96. (GP: Solar Power Income Tax Credit Increased) The State income tax credit allowed pursuant to Section 12-6-3587 of the 1976 Code for the costs of purchase and installation of a qualifying solar energy system in a taxable year ending in ~~2009~~ 2010 is increased from twenty-five to thirty percent of such costs.

AMEND proviso to update calendar reference from “Friday, November 27, 2009” to “Friday, November 26, 2010” and “Saturday, November 28, 2009” to “Saturday, November 27, 2010”

89.107. (GP: Second Amendment Weekend - Sales Tax Exemption for Certain Firearms) The gross proceeds of sales or sales price of handguns as defined pursuant to Section 16-23-10(1) of the 1976 Code, rifles, and shot guns is exempt from the taxes imposed pursuant to Chapter 36, Title 12 of the 1976 Code and Chapter 10, Title 4 of the 1976 Code for sales occurring from 12:01 a.m., Friday, November 27, ~~2009~~ 26, 2010, through twelve midnight, Saturday, November 28, ~~2009~~ 27, 2010.

STATEWIDE REVENUE

AMEND proviso to update fiscal year reference from “2010” to “2011” and “July 16, 2010” to “July 15, 2011”

90.1. (SR: Year End Expenditures) Unless specifically authorized herein, the appropriations provided in Part IA of this act as ordinary expenses of the State Government shall lapse on July 31, ~~2010~~ 2011. State agencies are required to submit all current fiscal year input documents to the Comptroller General’s Office by July 16, ~~2010~~ 15, 2011. Appropriations for Permanent Improvements, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the State Budget and Control Board and Joint Bond Review Committee, toward the accomplishment of the purposes for which the appropriations were provided. Appropriations for other specific purposes aside from ordinary operating expenses, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the State Budget and Control Board, toward the accomplishment of the purposes for which the appropriations were provided.

DELETE proviso

90.8. (SR: State Budget Stabilization Fund) ~~It is the intent of the General Assembly to accept all available funds from the State Budget Stabilization Fund contained within the American Recovery and Reinvestment Act of 2009 and to authorize expenditure of such funds as delineated in this act.~~

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DELETE proviso

~~90.9. (SR: ARRA Fund Authorization) It is the intent of the General Assembly to accept all available funds from the State Budget Stabilization Fund contained within the American Recovery and Reinvestment Act of 2009. The Office of State Budget is directed to increase agency federal fund authorizations for funds from the State Budget Stabilization Fund allocated by the General Assembly.~~

DELETE proviso

~~90.11. (SR: Nonrecurring Revenue) (A) The source of revenue appropriated in this provision is \$51,920,921 of non-recurring revenue generated from the following sources, transferred to the State Treasurer, and subsequently deposited in a fund separate and distinct from the General Fund as established within the State Treasurer's Office: (1) the State Treasurer shall transfer \$15,000,000 of the excess cash balance from E16, State Treasurer's Office, Subfund 3879, Unclaimed Property; and (2) the Budget and Control Board shall transfer \$36,920,921 of premium savings from F03, Budget and Control Board, Subfund 4161, Insurance Reserve Fund. These transfers shall occur no later than September 1, 2009 and shall be available for use in Fiscal year 2009-10 after September 1, 2009.~~

~~(B) The State Treasurer shall disburse the following appropriations by September 1, 2009, for the purposes stated:~~

- ~~(1) Aid to Subdivisions Department of Revenue
Homestead Exemption Shortfall.....\$ 37,534,561;~~
- ~~(2) Commission on Higher Education
Need Based Grants.....\$ 1,000,000;~~
- ~~(3) Department of Parks, Recreation and Tourism
Destination Specific Tourism.....\$ 8,000,000;~~
- ~~(4) South Carolina Conservation Bank.....\$ 2,000,000;~~
- ~~(5) Budget and Control Board
State Energy Office Hydrogen Fuel Station Loans.....\$ 1,450,800;~~
- ~~(6) Budget and Control Board
General Services Deferred Maintenance.....\$ 1,800,000; and~~
- ~~(7) Commission on Higher Education
University Center of Greenville.....\$ 135,560.~~

~~(C) The Budget and Control Board is required to suspend the payment of annual premiums for all Insurance Reserve Fund insurance lines that would otherwise be paid by State agencies up to an amount of \$36,920,921 in order to meet the requirements of this provision for Fiscal Year 2009-10. This suspension of annual renewal premium applies to coverages that were in effect and would be subject to renewal in Fiscal Year 2009-10. Any new coverages or additional coverages insured with the Insurance Reserve Fund during Fiscal Year 2009-10 are subject to premium collection. Each state agency, as so classified by the Insurance Reserve Fund for purposes of providing insurance, is directed to remit the amount of premium savings, as reported by the Insurance Reserve Fund, to the Budget and Control Board for deposit into the Insurance Reserve Fund. Each State agency is authorized to use funds from any source except federal funds for this payment. By this provision, these remittances are deemed to have occurred and are available for appropriation in the amount of \$36,920,921. The Insurance Reserve Fund is directed to adjust rates in future years as necessary to ensure actuarial soundness of the fund.~~

AMENDMENT # 2

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DELETE proviso

~~90.13. (SR: Personnel for Increased Enforcement Collections) For Fiscal Year 2009-10, in order to increase enforced collections, two million two hundred thousand dollars allocated to the Department of Revenue in this act shall be used exclusively to hire and provide operations for specifically identified additional enforcement personnel (agents, auditors and support) to enhance audit and collection activity.~~

~~The department may collect revenues from any source within its jurisdiction, which may include but is not limited to corporate, individual or sales tax collections but especially shall focus on enforced collections and outstanding liabilities.~~

~~These funds shall be deposited in a fund separate and distinct from the general fund as established within the Office of the State Treasurer, except that any motor fuel funds collected as a result of the enforced collection efforts shall be distributed in the same manner as other motor fuel tax revenues are currently distributed.~~

~~For the fiscal year beginning July 1, 2009 and ending June 30, 2010, the State Treasurer shall disburse quarterly the following funds on a pro rata basis:~~

- ~~(1) A01 The Senate~~
 - ~~Reapportionment.....\$ 1,000,000;~~
- ~~(2) F30 Employee Benefits Other~~
 - ~~Post Employee Benefits.....\$ 3,245,659;~~
- ~~(3) X44 Aid to Subdivisions Department of Revenue~~
 - ~~Homestead Exemption Shortfall.....\$ 43,504,341; and~~
- ~~(4) H03 Commission on Higher Education~~
 - ~~Need Based Grants\$ 500,000.~~

~~Once sufficient revenue has been collected to fully fund the above items, the first \$8,000,000 of excess revenue shall be transferred to the Department of Motor Vehicles to reimburse the department for the funds transferred to other agencies by proviso 90.12 of this act. The next \$500,000 of excess revenue shall be transferred to the Forestry Commission. The next \$285,000 of excess revenue shall be transferred to Clemson University PSA for the South Carolina Biotechnology Incubation Facility. The next \$500,000 of excess revenue shall be transferred to the Commission on Higher Education University Center of Greenville. The next \$30,000 of excess revenue shall be transferred to the Department of Agriculture for Agri-Business Development. The next \$10,000,000 of excess revenue shall be transferred to Aid to Subdivisions State Treasurer for the Local Government Fund.~~

~~The Department of Revenue shall develop internal mechanisms to insure the integrity of customary and usual enforced collections. When the department determines that the quarterly customary and usual enforced collections have been exceeded, the department shall deposit the excess funds into the separate and distinct fund not to exceed the totals as provided in this provision.~~

~~The funds in this account shall be appropriated for the purposes herein and disbursed quarterly on a pro rata basis unless otherwise stated. However no agency shall expend funds appropriated in this provision until they are received by that agency. Unexpended funds appropriated pursuant to this provision may be carried forward to succeeding fiscal years and expended for the same purpose.~~

~~If revenues collected and deposited into the new account are less than the amounts appropriated, agencies receiving appropriations shall have their appropriations reduced on a pro rata basis.~~

~~Any excess revenue above the amounts identified in this provision shall be transferred to the General Fund of the State.~~

~~The Department of Revenue shall report on a quarterly basis to the finance committees of the General Assembly and to the Board of Economic Advisors on the collections received in this fund.~~

REP. BINGHAM SUBMITS THE FOLLOWING:**Labor, Licensing, and Regulation****ADD NEW PROVISIO**

65.i.1. (LLR: Illegal Immigration Hotline) The responsibility for establishing and maintaining a twenty-four hour toll free telephone number and electronic website to receive, record, collect, and report allegations of violations of federal immigration laws or related provisions of South Carolina law by any non-United States citizen or immigrant, and allegations of violations of any federal immigration laws or related provisions in South Carolina law against any non-United States citizen or immigrant shall be transferred from the Commission on Minority Affairs to the Department of Labor, Licensing, and Regulation.

Such violations shall include, but are not limited to, E-Verify or other federal work authorization program violations, violations of Chapter 83 of Title 40 of the 1976 Code relating to immigration assistance services, or any regulations enacted governing the operation of immigration assistance services, false or fraudulent statements made or documents filed in relation to an immigration matter, as defined by Section 40-83-20, violation of human trafficking laws, as defined in Section 16-3-930, landlord tenant law violations, or violations of any law pertaining to the provision or receipt of public assistance benefits or public services.

The executive director of the Department of Labor, Licensing, and Regulation, or a designee, shall establish and maintain a centralized tracking database consisting of all information received through the twenty-four hour toll free telephone number and electronic website, and shall report all alleged violations to the appropriate law enforcement, administrative, executive, or regulatory agency or political subdivision having law enforcement or regulatory control over the subject matter, including, but not limited to the United States Bureau of Immigration and Customs Enforcement, consistent with 8 USC Section 1373.

REP. YOUNG SUBMITS THE FOLLOWING AMENDED PROVISIO:

ATTORNEY GENERAL'S OFFICE

45.6. (AG: Auction Rate Securities Settlement/Water Rights) The Attorney General's Office is authorized to ~~utilize up to \$2,200,000 of~~ *retain and expend funds received in Fiscal Year 2009-10 and in Fiscal Year 2010-11* from the "Auction Rate Securities Settlement" to pay for expenses and fees associated with the South Carolina vs. North Carolina water lawsuit (United States Supreme Court original Jurisdiction Case Number 138.) ~~The \$2,200,000 shall not include the \$750,000 the Attorney General's Office currently allocates for securities enforcement expenses.~~ The Attorney General's Office is authorized to use a portion of ~~the \$2,200,000~~ *these funds* to reimburse Water Litigation expenses incurred in the prior fiscal year. *These funds may be carried forward from the prior fiscal year into the current fiscal year and be utilized for the same purpose. Upon satisfaction of the South Carolina vs. North Carolina water lawsuit, any remaining Auction Rate Securities Settlement funds shall be deposited into the general fund. This paragraph takes effect on the earlier of July 1, 2010, or the date on which water settlement revenue in Fiscal Year 2009-10 exceeded \$2,200,000.*

REP. Young

SUBMITS THE FOLLOWING:

AGENCY NAME: DJJ

NEW PROVISIO

In order to avoid unconstitutional levels of overcrowding and other unconstitutional conditions from occurring in facilities operated by the Department and in residential programs operated for the Department, the number of children housed in residential placements (either committed to the custody of the Department of Juvenile Justice or who are under the Department's supervision) shall not exceed the number of beds available to the Department to house them. Should appropriation reductions necessitate that the Department close any additional facility, program, or housing unit it operates, or to be unable to fund any additional residential program operated for its benefit, the Department is authorized and empowered to release from its residential placements sufficient numbers of children committed to its custody or supervision for a status offense, a misdemeanor offense, other than Assault and Battery of a High and Aggravated Nature and Assault with Intent to Kill, or for violation of probation/contempt of a status offense or a misdemeanor offense, other than Assault and Battery of a High and Aggravated Nature and Assault with Intent to Kill, so that the number of children in its custody or under its supervision and placed in these residential placements does not exceed the number of housing units/beds available to properly house those children. No child adjudicated delinquent for a violent crime as defined in SC Code §16-1-60, a felony offense as defined in SC Code §16-1-90, or a sexual offense shall be released pursuant to this proviso.

AMENDMENT # 7

REP. SMITH SUBMITS THE FOLLOWING SUBSTITUTE PROVISIO:

DEPARTMENT OF EDUCATION

1.28. (SDE: Basic Skill Exam) Any person seeking candidacy in an undergraduate teacher education program is required to take and pass the ~~Basic Skill Examination~~ teacher candidate basic skill examination pursuant to Sections 59-26-20 and 59-26-40. Any person who fails to achieve a passing score on all sections shall be allowed to retake the test or a portion thereof. All sections of the ~~Basic Skill Examination~~ teacher candidate basic skill examination must be passed before any person is formally admitted into any undergraduate teacher preparation program in South Carolina. However, any person having attained 1650 or better on the SAT or a comparable ACT score shall be exempt from this requirement. ~~Undergraduate teacher education participants and individuals completing a teacher preparation program leading to initial certification shall be treated as a charitable organization for purposes of the South Carolina Law Enforcement (SLED) portion of the fee charged for the criminal records search.~~

AMENDMENT # 8

REP. SMITH SUBMITS THE FOLLOWING SUBSTITUTE PROVISIO:

DEPARTMENT OF EDUCATION

1.72. (SDE: Residential Treatment Facilities Student Enrollment and Funding) Each South Carolina resident of lawful school age residing in licensed residential treatment facilities (RTFs) for children and adolescents as defined under Section 44-7-130 of the 1976 Code, ("students") shall be entitled to receive educational services from the school district in which the RTF is located ("facility school district"). The responsibility for providing appropriate educational programs and services for these students, both with and without disabilities, who are referred or placed by the State is vested in the facility school districts.

A facility school district must provide the necessary educational programs and services directly to the student at the RTF's facility, provided that the RTF facility provides and maintains comparable adequate space for the educational programs and services consistent with ~~the specifications and guidelines set forth by the Department of Education in facility regulations, including those prescribed by the State Fire Marshal, the Department of Health and Environmental Control, and the Occupational Safety and Health Act. To be appropriate, the space provided by the facility must also meet all federal and state~~ least restrictive environment requirements. Adequate space shall include appropriate electrical support and Internet accessibility. A request for a waiver of the stipulated space requirements may be granted by the State Board of Education. Under ~~Unless the parent or legal guardian of the student seeks to continue the student's enrollment in the resident school district under a medical homebound instruction program and the district approves, if appropriate, then, under~~ these circumstances, the facility school district ~~may choose to~~ shall enroll the student and assume full legal and financial responsibility for the educational services; ~~or it may choose to provide the educational services and serve as the educational and fiscal agent of the school district in which the student's legal guardian resides ("resident school district") for purposes of~~ including enrolling the student, approving the student's entry into a medical homebound instructional program, if appropriate, and receiving and expending funds, unless the resident school district undertakes to carry out its educational responsibilities for the student directly.

Alternatively, a facility school district may choose to provide the necessary educational programs and services by contracting with the RTF provided that the RTF agrees to provide educational services to the student at the RTF's facility. Under these circumstances, the facility school district must enroll the student and pay the RTF for the educational services provided. If the facility school district determines the educational program being offered by the RTF does not meet the educational standards outlines in the contract, the facility district shall be justified in terminating the contract.

The State shall appropriate 100 percent of the base student cost to provide for the education of the students referred or placed by the State in an RTF. The facility school districts are entitled to receive the base student cost multiplied by the appropriate Education Finance Act pupil weighting, as set forth in Section 59-20-40 of the 1976 Code and any eligible federal funds. These funds may be retained by the facility school districts for the purpose of providing the educational programs and services directly to students referred or placed by the State or the facility school districts may use these funds to reimburse RTF's for the educational programs and services provided directly by the RTFs. A facility school district is entitled to reimbursement from a resident school district for the difference between (1) the reasonable costs expended for the educational services provided directly by the facility school district or the amount paid to the RTF and (2) the aggregate amount of federal and state funding received by the facility school district for that student. Should the facility school district be unable to reach agreement with the resident school district regarding reasonable costs differences, the facility

school district shall notify the Department of Education's Office of General Counsel. The Department of Education shall facilitate a resolution of the dispute between the facility school district and the resident school district. If the issue of reasonable cost differences should remain unresolved, the case shall be referred to the Administrative Law Court for a final decision.

If a child from out of state is placed in a RTF by an out-of-state school district or agency, the child's home state remains responsible for the educational services. The facility school district may choose to provide the educational program to the child and, upon choosing to do so, shall contract with the ~~RTF~~ appropriate entity for payment of educational services provided to the child.

If a child is placed in a RTF by the child's parent or guardian, the facility school district may choose to provide the educational program to the child, and upon doing so, must negotiate with the resident school district for services through medical homebound procedures. A facility school district is responsible for compliance with all child find requirements under Section 504 of the Rehabilitation Act of 1973 and IDEA.

All students enrolled in the facility school districts shall have access to the facility school districts' general education curriculum, which will be tied to the South Carolina academic standards in the core content areas. All students with disabilities who are eligible for special education and related services under the Individuals with Disabilities Education Act (IDEA), as amended, and the State Board of Education (SBE) regulations, as amended, shall receive special education and related services in the least restrictive environment by appropriately certified personnel. Students in an RTF will at all times be eligible to receive the educational credits (e.g., Carnegie Units) earned through their educational efforts.

With respect to students enrolled in the facility school districts, for accountability purposes, the assessment and accountability measures for students residing in RTFs shall be attributed to a specific school only if the child physically attends the school. ~~All assessment and accountability measures of students not physically attending a specific school shall be disaggregated and reported separately in the facility school districts' accountability calculations.~~ The performance of students residing in a RTF who receive their educational program on site at the RTF must be reflected on a separate line on the facility school district's report card and must not be included in the overall performance ratings of the facility school district. The Department of Education shall examine the feasibility of issuing report cards for RTFs. ~~A~~ For the 2010-11 school year, a facility school district shall not have the district's state accreditation rating negatively impacted by deficiencies related to the delivery of an educational program at a RTF.

RTFs shall notify the facility school district as soon as practical, and before admission to the RTF if practical, of a student's admission to the RTF. RTFs, the facility school districts and the Department of Education shall use their best efforts to secure and/or exchange information, including documents and records necessary to provide appropriate educational services and/or related services as necessary to assist the facility school district in determining the resident school district. The Department of Education, in collaboration with state placing agencies, RTFs, facility school districts, and resident school districts, shall implement a system to follow the release of students from a RTF and re-enrollment in public, private, or special schools to ensure these students, when appropriate, are not recorded as dropouts.

The Department of Education shall convene a task force to research and make recommendations to the State Superintendent of Education by December 1, 2010, regarding oversight of the educational programs provided to students residing in a RTF. Recommendations may include, but not be limited to, implementing a system of state oversight, state standards for an appropriate educational program for students residing in a RTF, and requirements for collaboration between the Department of Health and Environmental Control and the Department of Education regarding educational program requirements when new RTFs are licensed. The task force shall include, but not be limited to, representation of the following groups: state placing agencies, RTFs, facility school districts, resident school districts, Department of Health and Environmental Control, and other interested entities. The report shall be made available to the General Assembly no later than January 1, 2011.

AMENDMENT # 9

REP. SMITH SUBMITS THE FOLLOWING AMENDMENTS ADOPTED BY THE PUBLIC EDUCATION AND SPECIAL SCHOOLS SUBCOMMITTEE

DEPARTMENT OF EDUCATION

DELETE proviso

~~1.36. (SDE: Part-time Benefits) Teachers working less than thirty hours a week, but no less than fifteen hours a week, shall qualify for state health and dental insurance. The Budget and Control Board is directed to amend its "Plan of Benefits" regarding fringe benefits to conform to the provisions of this section. Teachers and employers shall each contribute toward the cost of these benefits with the employer paying only that portion of the employer's normal cost which is attributable to the time the teacher is working, and the teacher shall pay all remaining costs. However, the employer's contribution shall be no less than half the normal cost.~~

ADD (Index of Taxpaying Ability)

1. ita (SDE: Index of Taxpaying Ability) For the current fiscal year, the provisions of Section 59-20-20(3) of the 1976 Code providing for the calculation of the Index of Taxpaying Ability are suspended. In lieu of the index as calculated pursuant to that provision, the index as calculated by the Department of Revenue for 2009 applies for the current fiscal year.

ADD (Charter School Funding)

1. csf (SDE: Charter School Funding) (A) For fiscal year 2010-11, the South Carolina Public Charter School District shall receive and distribute state funds to the charter school equal to the percentage of state funds the charter school would have received were it a traditional public school within the school district in which the charter school is located. These state funds are in addition to federal and state categorical funds which must be received and distributed proportionately to the charter school.

(B) The South Carolina Public Charter School District shall receive and distribute local school district funds to the charter school equal to the funds the charter school would have received were it a traditional public school within the school district in which the charter school is located.

(C) A local school district shall remit at least quarterly to the South Carolina Public School District funds equal to the percentage of local funds that a charter school sponsored by the state district and located within the local school district would have received were it a traditional school within the local school district. If the local school district fails to remit these funds, the Department of Education may fine the local school district an amount equivalent to the withheld funds.

(D) This proviso does not apply to virtual charter schools sponsored by the South Carolina Public Charter School District, which shall receive one hundred percent of the current year's base student cost, as funded by the General Assembly, multiplied by the weighted students enrolled in the charter school, subject to adjustment for student attendance and state budget allocations.

ADD (Single Gender Classes)

1. sgc (SDE: Single Gender Charter Schools) Notwithstanding another provision of law, a person or nonprofit corporate entity may seek to form a single gender charter school.

DEPARTMENT OF EDUCATION - EIA

AMEND proviso to update Southeastern Average teacher salary

1A.6 (SDE-EIA: XI.C.2.-Teacher Salaries/SE Average) The projected Southeastern average teacher salary shall be the average of the average teachers salaries of the southeastern states as projected by the Division of Budget and Analyses. For the current school year the Southeastern average teacher salary is projected to be \$48,172 ~~\$48,725~~. The statewide minimum teacher salary schedule used in Fiscal Year 2008-09 will continue to be used in Fiscal Year ~~2009-10~~ 2010-11. The General Assembly remains desirous of raising the average teacher salary in South Carolina through incremental increases over the next few years so as to make such equivalent to the national average teacher salary.

Funds appropriated in Part IA, Section 1, XI.C.2. for Teacher Salaries must be used to increase salaries of those teachers eligible pursuant to Section 59-20-50 (b), to include classroom teachers, librarians, guidance counselors, psychologists, social workers, occupational and physical therapists, school nurses, orientation/mobility instructors, and audiologists in the school districts of the state.

ADD (Clemson Agriculture Education Teachers)

1A. cae (SDE:EIA: Clemson Agriculture Education Teachers) The funds appropriated in Part IA, Section XI.F3 for Clemson Agriculture Education Teachers must be transferred to Clemson University PSA to cover state-mandated salary increases on that portion of the agriculture teachers' salaries attributable to summer employment.

Rep. White SUBMITS THE FOLLOWING:

Budget & Control Board

PROVISO

80A. (BCB: State Health Plan Obesity Treatment Pilot Program) (A) The Budget and Control Board, when establishing the State Health Plan of Benefits for Plan Year 2011, shall establish a one-year pilot program designed to address the problem of the high rate of obesity in South Carolina by providing for the treatment and management of obesity and related conditions through various methods including, but not limited to, bariatric surgery as a treatment option. The State Health Plan through the State Budget and Control Board must conduct this program as provided in this proviso. The program will operate only in Plan Year 2011.

(B)(1) The State Health Plan shall develop criteria for patient and facility eligibility for the program which shall include, but not be limited to, bariatric surgical guidelines and criteria of the American Association of Clinical Endocrinologists (AACE), The Obesity Society (TOS), and American Society for Metabolic & Bariatric Surgery (ASMBS) Guidelines for Clinical Practice for the Perioperative Nutritional, Metabolic, and Nonsurgical Support of the Bariatric Surgery Patient.

(2) In addition to the considerations required in item (1) of this subsection, criteria for patient participation must include that a person may be eligible for bariatric surgery in the program if he is a State Health Plan participant covered as either a subscriber or spouse and is not eligible for Medicare and:

(a)(i) has a body mass index greater than forty; or

(ii) has a body mass index greater than thirty-five and with a co-morbidity such as diabetes, hypertension, gastro esophageal reflux disease, sleep apnea, or asthma;

(b) has participated in the State Health Plan for at least the immediately preceding two years;

(c) has documented with his primary practitioner at least two failed attempts at sustained weight loss using programmatic methods as approved by the Plan; and

_____ (d) has presented a pre-operative psychological evaluation indicating the patient is a satisfactory candidate for surgery.

(3) In addition to the considerations required in item (1) of this subsection, a medical center or hospital may be eligible to deliver bariatric surgery in the program if it:

_____ (a) is a nationally designated ASMBS Center of Excellence for Bariatric Surgery, an American College of Surgeons (ACS) Bariatric Surgery Center Network member, or a Blue Distinction Center for Bariatric Surgery;

_____ (b) has all the critical post-surgical patient support in place including, but not limited to:

_____ (i) a nutritionist or dietician for patient access;

_____ (ii) individual and group support meetings;

_____ (iii) development of personalized weight loss goals and management and support for lifelong life style changes; and

_____ (iv) a physical activity component; and

_____ (c) imposes an initial surgical fee that must include eighteen months follow-up care for the patient that includes, but is not limited to, clinical complications, all band adjustments, use of COE support staff, use of nutritionists, and access to group meetings.

(C) The program may approve not more than one hundred patients from different regions in the state for the program based on the guidelines developed by the State Health Plan.

(D) (1) The State Health Plan shall report annually to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee with detailed information on the program's trends, including, but not be limited to pre-surgical medical and prescription costs, including those associated with obesity and its co-morbidities, and postsurgical medical and prescription costs, including those related to complications from the surgery. A patient must serve as his own control by comparing health care costs in the preceding two years to his health care costs following surgery.

_____ (2) Surgeries performed under this program shall be that determined most medically appropriate for participating patients

AMENDMENT # 11

The Legislative Executive Subcommittee SUBMITS THE FOLLOWING:

Budget & Control Board

PROVISO

80. Effective July 1, 2010, or as soon as practicable, the duties, functions, responsibilities, personnel, equipment, supplies, appropriated and authorized funds, carry forward funds and all other assets and resources of the Office on Small and Minority Business Assistance under the Governor's Office of Executive Policy and Programs are transferred to the Procurement Services Division of the Budget and Control Board.

AMENDMENT # 12

Rep. White SUBMITS THE FOLLOWING:

General Provision

PROVISO

89. The Teacher and Employee Retention Incentive (TERI) Program established is closed to new participants effective July 1, 2010.

AMENDMENT # 13

Rep. White SUBMITS THE FOLLOWING:

General Provision

PROVISO

89. (GP: Fire Service Vehicles Allowed to Use "Off-road Diesel") Fire service vehicles operated by political subdivisions of this State are exempt from the user fee on diesel fuel imposed pursuant to Chapter 28, Title 12 of the 1976 Code for fuel purchased in the current fiscal year. "Off-road diesel" may be purchased to operate these vehicles.

AMENDMENT # 14

REP. SMITH SUBMITS THE FOLLOWING SUBSTITUTE FOR NEW PROVISIO 1.BCST:

DEPARTMENT OF EDUCATION

New #3 (SDE: SLED Background Checks for Substitute Teachers) Each individual hired by a local board of trustees to serve as a substitute teacher must undergo a criminal record search by the State Law Enforcement Division (SLED). District school boards of trustees must adopt a written policy outlining this requirement as well as how the information received from the background check will impact hiring decisions. The policy must include, at a minimum, hiring recommendations relative to felony convictions and relevant "just cause" examples cited in §59-25-160. The policy shall stipulate that whether the district or that the applicant assumes the cost of the criminal record search. SLED, working with the Department of Education, shall provide training to appropriate school district personnel on understanding and appropriate uses of the information provided in background checks.

REP. Smith SUBMITS THE FOLLOWING:

DEPARTMENT OF EDUCATION

PROVISO

1A. (SDE:EIA: Clemson Agriculture Education Teachers) The funds appropriated in Part IA, Section XI.F3 for Clemson Agriculture Education Teachers must be transferred to Clemson University PSA to fund summer employment of agriculture teachers and to cover state-mandated salary increases on that portion of the agriculture teachers' salaries attributable to summer employment.

REP. Young SUBMITS THE FOLLOWING:

J.R. Smith
Bingham

DEPARTMENT OF EDUCATION

PROVISO

1A.eoc (Education Oversight Committee) The Education Oversight committee as established by Section 59-6-10 of the 1976 Code shall be suspended for Fiscal Year 2010-11. The duties, functions and responsibilities of the committee shall be devolved to the Department of Education for Fiscal Year 2010-11 and physical assets shall be transferred to the department. Unexpended funds from the prior fiscal year shall be carried forward and the funds appropriated in Part IA, Section XI.F2 for the Education Oversight Committee, EOC 4 Year Old Evaluation Service Learning and EOC Family Involvement are directed to Part IA, Section XI.C2 Teacher Salaries.

Amendment No. 19

Representative Young

Proposes and amendment to amendment number 14

Regarding SLED Background Checks for Substitute Teachers

By striking the first sentence and inserting:

““Each individual hired by a local board of trustees to serve as a substitute teacher must undergo a **name based** South Carolina criminal records search conducted by the local school district using records maintained by SLED.”

Amend further in the last sentence by striking the phrase “on understanding and “

Amend further by inserting after “appropriate”

By inserting “regarding ”, striking “uses” and inserting “use”

Amend further by adding at the end:

“The State Department of Education shall adopt a model policy”.

REP. Smith SUBMITS THE FOLLOWING:

DEPARTMENT OF EDUCATION

PROVISO

1.48 and 1A.14. (SDE-EIA: XI.C.2-National Board Certification Incentive) *Effective July 1, 2010, the state will not award loans to any teacher seeking National Board certification and will not pay a \$7,500 salary supplement to any teacher receiving National Board certification unless the teacher had received National Board certification prior to July 1, 2010 or had completed application for National Board certification prior to July 1, 2010 and subsequently received National Board certification. No state funds shall be paid to any teacher beyond the first ten years of receiving National Board certification except for those individuals who have applied for or subsequently receive their second ten year certification prior to July 1, 2010. ~~The Department of Education shall administer a pilot program to determine the effectiveness of using the Salary Incentives for Teacher Excellence (SITE) to increase teacher recruitment and retention and student achievement in high poverty schools/districts. During Fiscal Year 2010-11, the department shall establish guidelines for the program, conduct an application process which requires at least two-thirds of the school's teachers to endorse the application, and select schools to participate in the pilot. The pilot first shall be conducted in districts/schools with student poverty indices of 75 or above. The department shall provide a report on the SITE to the General Assembly, the State Board of Education, and the Education Oversight Committee not later than January 15, 2011 including the names of schools participating in the pilot for the following fiscal year.~~*

Public school classroom teachers or classroom teachers who work with classroom teachers who are certified by the State Board of Education and who have been certified by the National Board for Professional Teaching Standards *or completed the application process prior to July 1, 2010* shall be paid a \$7,500 salary supplement beginning July 1 in the year following the year of achieving certification, beginning with 2009 applicants. Teachers employed at the special schools shall be eligible for this \$7,500 salary supplement. The special schools include the Governor's School for Science and Math, Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$7,500 salary supplement shall be added to the annual pay of the teacher for the length of the national certificate. However, the \$7,500 supplement shall be adjusted on a pro rata basis for the teacher's FTE and paid to the teacher in accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) shall develop guidelines and administer the programs whereby teachers who are United States citizens or permanent resident aliens, and who are applying to the National Board for Professional Teaching Standards for certification may receive a loan equal to the amount of the application fee. Up to eleven hundred loan applications shall be processed annually. One-half of the loan

principal amount and interest shall be forgiven when the required portfolio is submitted to the national board. Teachers attaining certification within three years of receiving the loan will have the full loan principal amount and interest forgiven. Teachers who previously submitted a portfolio to the National Board for Professional Teaching Standards for certification under previous appropriation acts, shall receive reimbursement of their certification fee as prescribed under the provisions of the previous appropriation act. Funds collected from educators who are in default of the National Board loan shall be retained and carried forward *by the department. The department may retain up to ten percent of the funds collected to offset the administrative costs of loan collection. All other funds shall be retained by the department and used* for National Board *loan* purposes. Of the funds appropriated in Part IA, Section 1, XIII.A. for National Board Certification, the State Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) the funds necessary for the administration of the loan program. In addition, teachers who are certified by the National Board for Professional Teaching Standards shall enter a recertification cycle for their South Carolina certificate consistent with the recertification cycle for national board certification. National board certified teachers moving to this State who hold a valid standard certificate from their sending state are exempted from initial certification requirements and are eligible for a professional teaching certificate and continuing contract status. Their recertification cycle will be consistent with national board certification.

Provided, further, that in calculating the compensation for teacher specialists, the State Department of Education shall include state and local compensation as defined in Section 59-18-1530 to include local supplements except local supplements for National Board certification. Teacher specialists remain eligible for state supplement for National Board certification.

Teachers who begin the application process after July 1, 2007 and who teach in schools which have an absolute rating of below average or at-risk at the time the teacher applies to the National Board for certification, but who fail to obtain certification, nonetheless shall be eligible for full forgiveness of the loan as follows: upon submission of all required materials for certification, one-half of the loan principal amount and interest shall be forgiven; forgiveness of the remainder of the loan will be at the rate of 33% for each year of full time teaching in the same school regardless of whether that school exceeds an absolute rating of below average or at-risk during the forgiveness period, or for each year of full time teaching in another school that has an absolute rating of below average or at risk.